

UNITED STATES DISTRICT COURT
DISTRICT OF NEVADA

KARLYNE Y. SELVA,

Plaintiff

v.

GEICO CHOICE INSURANCE COMPANY,

Defendant

Case No.: 2:21-cv-00101-APG-NJK

Order Remanding Case

I previously ordered defendant GEICO Choice Insurance Company to show cause why this action should not be remanded for lack of subject matter jurisdiction. ECF No. 7. GEICO has not established by a preponderance of the evidence that the amount in controversy exceeds \$75,000 given that the plaintiff incurred \$31,760.28 in medical bills and received \$25,000 from the third party tortfeasor. GEICO relies on the plaintiff's settlement demand of the \$50,000 policy limit. "A settlement letter is relevant evidence of the amount in controversy if it appears to reflect a reasonable estimate of the plaintiff's claim." *Cohn v. Petsmart, Inc.*, 281 F.3d 837, 840 (9th Cir. 2002). But given the low amount of unpaid medical bills, there is no evidence that the settlement demand is a reasonable estimate of the value of the plaintiff's claims. Moreover, GEICO has offered no facts supporting a claim to punitive damages, let alone in an amount approaching \$75,000.

Based on my judicial, legal, and practical experience and common sense, I find it highly unlikely that the amount in controversy exceeds \$75,000. In addition to awarding full recovery of her medical bills, a jury would have to award additional damages or attorneys' fees in excess of \$68,000. The underlying allegations do not suggest such an award. Thus, GEICO has not met its burden of establishing by a preponderance of the evidence that the amount in controversy

1 exceeds \$75,000. *Roe*, 613 F.3d at 1061-1062; *Iqbal*, 556 U.S. at 679. Consequently, I remand
2 this action to state court.

3 IT IS THEREFORE ORDERED that this case is remanded to the state court from which
4 it was removed for all further proceedings. The clerk of the court is instructed to close this case.

5 DATED this 22nd day of February, 2021.

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8 ANDREW P. GORDON
9 UNITED STATES DISTRICT JUDGE
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